

2018



Legislative Reference Bureau

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COMPTROLLER

2018 Proposed Plan and Executive Budget Review

Prepared by: Aaron Cadle, Legislative Fiscal Analyst
Budget Hearing: 1:30 pm on Friday, October 6, 2017
Last Updated: October 4, 2017

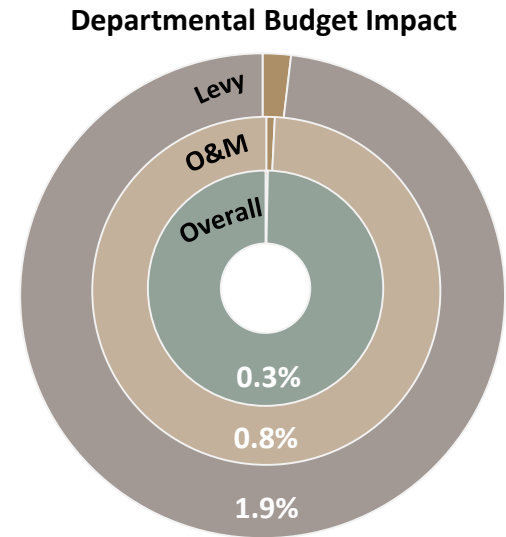
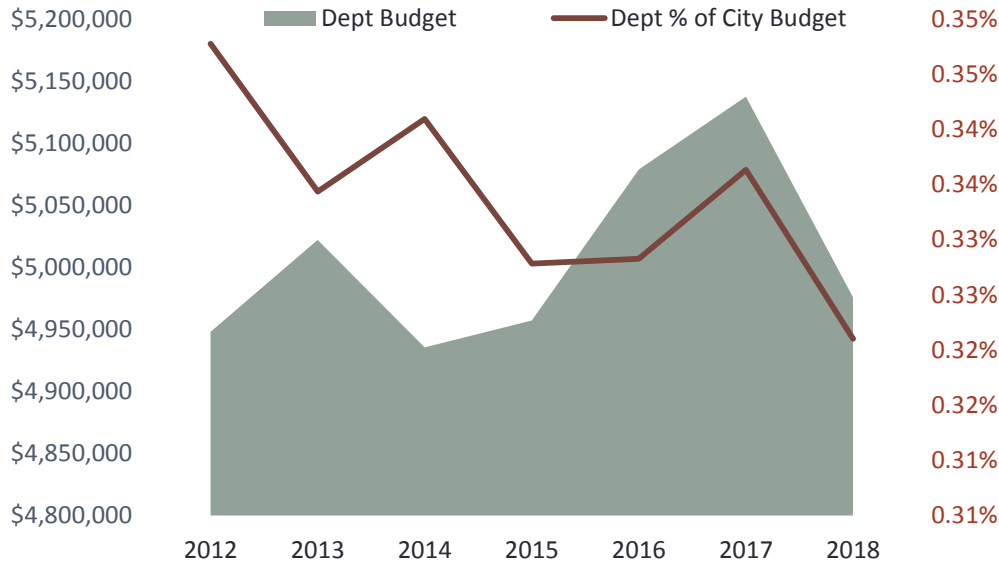
Version 1.2



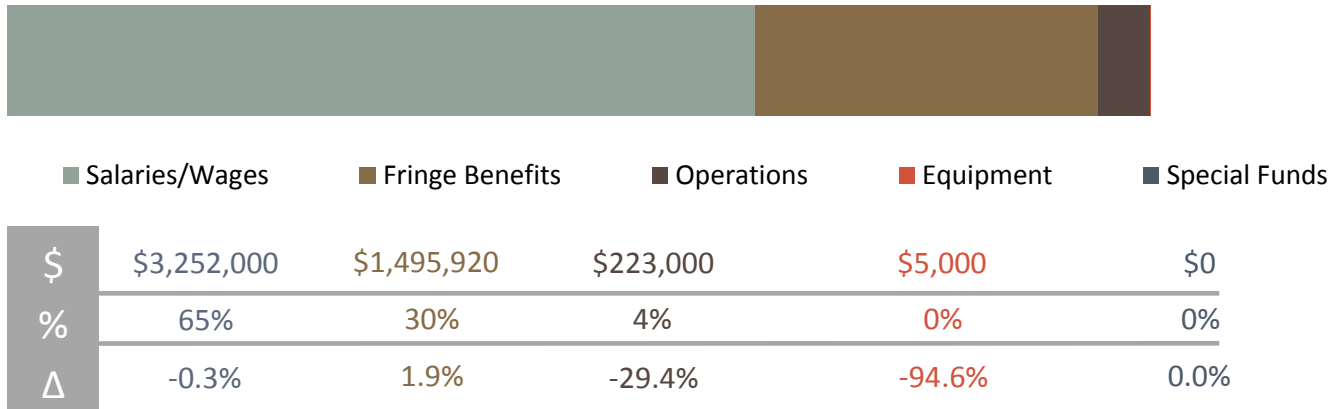
\$4,975,920
Proposed 2018 Budget

-\$161,535
Change in Proposed Budget

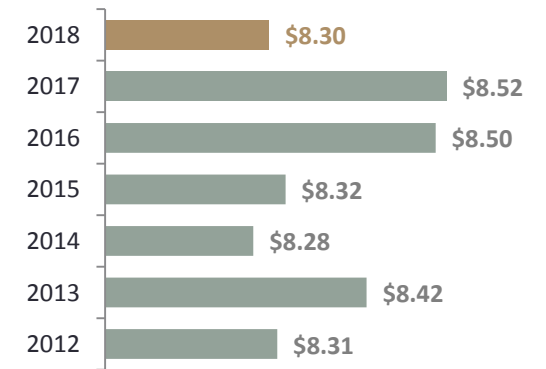
-3.1%
% Change in Proposed Budget



Departmental Budget Appropriation Category



Budget per Capita



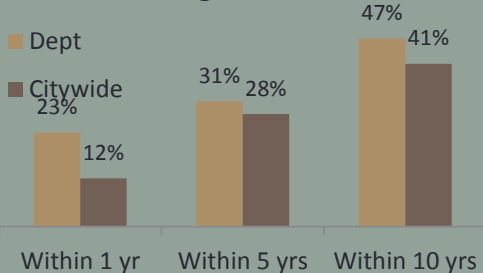
23.4%

15 of 64 department staff personnel will be eligible for retirement in 2018.

\$19,454

Increase in payroll costs despite \$9,011 decrease in salary costs due to increase in fringe benefit cost estimate from 45% to 46%.

Retirement Eligible



-1

Change in Positions

-1.5%

% Change in Positions

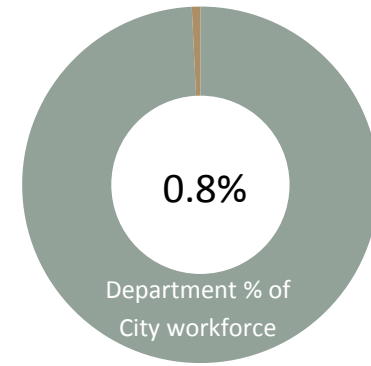
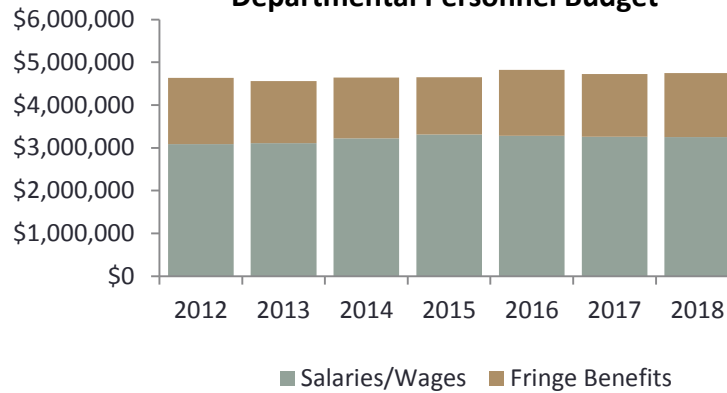
2

Current Vacancies

4

Voluntary Separations

Departmental Personnel Budget

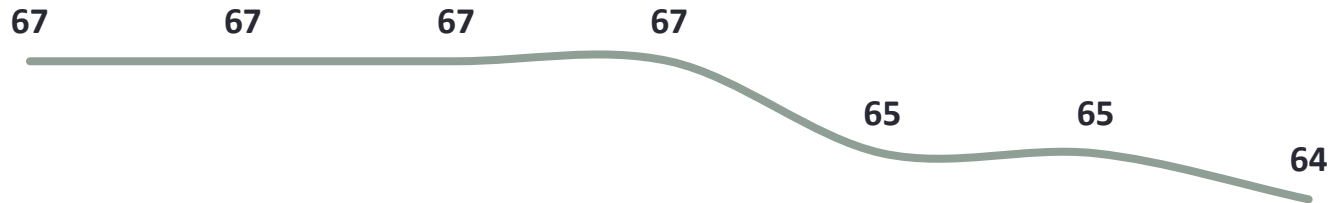


Position Eliminated

A \$54,895 reduction in grant funding resulted in the elimination of the authority to fill a vacant Accounting Specialist position dedicated to grant monitoring. The Comptroller expects the workload for monitoring grant expenditures to be unchanged despite the reduction in funding to perform that monitoring.

Public Debt Management Costs Moved to Non-O&M Funding

Beginning with the 2017 Adopted Budget, and continuing in the 2018 Proposed Budget, the Comptroller is reimbursed for the entire \$157,398 personnel costs associated with managing the City's public debt through non-O&M funding from the Public Debt Amortization Debt Fund.



**Department Positions
2012-2018**

\$54,895

Salary savings from elimination of a grant monitoring position due to a reduction in grant support funding.

\$-7,324

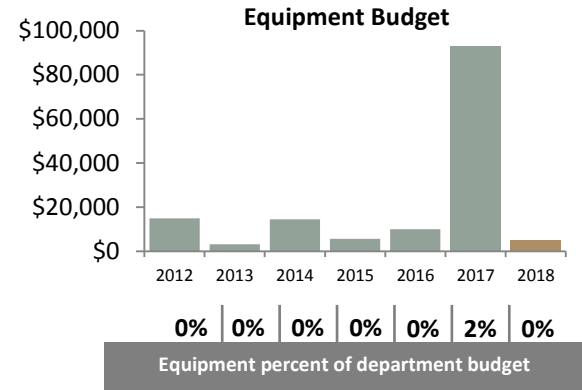
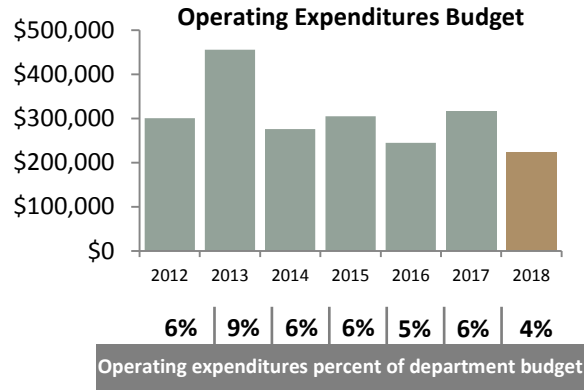
Reduction in salary costs for positions authorized in both 2017 and 2018

24.2%

Portion of projected 2018 tax levy allocated for proposed 2018 City Debt service payment.

\$-33 million

42% decline in actual Grant & Aid – Special Revenue funding between 2012 and 2016.



Grant Monitoring Funding Reduction

Combined CDBG and HOME grant monitoring funding down \$80,147 (13%) to \$531,853.

The lower CDBG/HOME funding will provide approximately 70% of the costs associated to administer and monitor grant and aids awarded to the City.

City Revenue Projections

2016 projected General City Purpose Revenues were 0.018% more than the actual revenues, and 0.756% less than 2015 actual revenues.

Projection accuracy has been steadily improving since 2012 with under-estimates of 2.448%, 2.026% and 0.787% in 2012, 2013 and 2014 respectively.

Professional Services Down 38.5%

2018 spending for Professional Services is projected down \$74,989, or 38.5%. The majority of this cut comes from a reduction in the hiring of expert consultants. Expert consultants are hired to provide expertise to Comptroller auditors during the conduct of some audits requiring expertise outside the scope of the department.

Audit Rebound

Five audits were submitted to the Common Council through August, 2017, and a total of 12 to 14 are projected for completion by year-end. Fourteen audits are projected for 2018. This is a significant rebound from the 4 audits completed in 2016 when management and staff turnover in the Audit Division limited audit output. One auditor position is currently unfilled in the 8-person staff, approved to fill on September 26, 2017.

\$-3,645,000

2018 projected decrease in Grant and Aid – Special Revenue funding over actual for 2016.

\$-75,000

38% decrease in projected 2018 Professional Services costs from the Adopted 2017 budget.

\$1,203,000

8.34% increase in PILOT revenues 2012 to 2016.

\$4,284,163

Reduction in actual state shared revenue received between 2011 and 2016.

Revenue

Projected charges for services (principally rendered to the Milwaukee Water Works and in conjunction with the recovery of delinquent taxes) of \$575,000 are up 20% from actual 2014 charges, and up 28% from actual charges in 2011.

Grant Monitoring Funding Reduction

Combined CDBG and HOME grant monitoring funding down \$80,147 (13%) to \$531,853.

The lower CDBG/HOME funding will provide approximately 70% of the costs associated to administer and monitor grant and aids awarded to the City.

General City Purposes Revenues

Revenue Category	2016 Actual	2017 Adopted	% Change	2018 Proposed	% Change
Taxes & PILOT Payments	\$17,979,406	\$17,698,600	-1.56%	\$17,590,600	-0.61%
Licenses & Permits	\$16,630,087	\$16,203,300	-2.57%	\$15,937,400	-1.64%
State Shared (Gen.)	\$219,039,229	\$219,038,000	0.00%	\$219,054,000	0.01%
Intergovernmental	\$44,310,014	\$46,254,200	4.39%	\$48,037,400	3.86%
Charges for Services	\$126,813,815	\$127,044,792	0.18%	\$129,478,000	1.92%
Fines & Forfeitures	\$4,110,140	\$3,703,000	-9.91%	\$3,001,000	-18.96%
Miscellaneous	\$37,032,756	\$37,259,500	0.61%	\$38,416,200	3.10%
Fringe Benefit Offset	\$21,393,005	\$23,000,000	7.51%	\$23,000,000	0.00%
Total General Fund	\$487,308,452	\$490,201,392	0.59%	\$494,514,600	0.88%
TSF Withdrawal	\$16,700,000	\$27,579,000	65.14%	\$19,000,000	-31.11%
Property Tax Levy	\$114,264,667	\$115,212,740	0.83%	\$107,229,761	-6.93%
Total General Purpose	\$618,273,119	\$632,993,132	2.38%	\$620,744,361	-1.94%